

**City of Muskegon
Proprietary Funds**

STATEMENT OF FUND NET ASSETS

December 31, 2003

	Business-Type Activities Enterprise Funds				Governmental Activities
	Sewer	Water	Marina and Launch Ramp	Total	Internal Service
ASSETS					
Current assets					
Cash and cash equivalents (note A and B)	\$ 1,046,328	\$ 2,599,705	\$ -	\$ 3,646,033	\$ 2,050,882
Accounts receivable	1,169,868	1,078,545	601	2,249,014	127,233
Due from other governmental units	-	540,535	-	540,535	-
Inventories (note A)	23,092	70,272	-	93,364	10,404
Prepaid items (note A)	10,258	11,770	739	22,767	27,831
Total current assets	2,249,546	4,300,827	1,340	6,551,713	2,216,350
Noncurrent assets					
Restricted cash and cash equivalents (note A and B)	-	822,559	-	822,559	-
Deferred debt expense (note A)	-	143,455	-	143,455	-
Contract receivable (note A)	3,422,522	-	-	3,422,522	-
Wastewater facility rights (net of accumulated amortization of \$2,012,722) (note A)	1,451,372	-	-	1,451,372	-
Capital assets (note A and C)					
Land, construction in progress and other assets not being depreciated	1,881,659	7,101,769	521,301	9,504,729	108,410
Other capital assets, net of depreciation	10,726,244	20,157,107	964,154	31,847,505	2,761,663
Total capital assets	12,607,903	27,258,876	1,485,455	41,352,234	2,870,073
Total noncurrent assets	17,481,797	28,224,890	1,485,455	47,192,142	2,870,073
TOTAL ASSETS	\$ 19,731,343	\$ 32,525,717	\$ 1,486,795	\$ 53,743,855	\$ 5,086,423
LIABILITIES AND NET ASSETS					
Liabilities					
Current liabilities					
Current maturities of long-term debt	\$ 1,107,267	\$ 420,000	\$ -	\$ 1,527,267	\$ -
Accounts payable	34,154	151,119	5,014	190,287	312,930
Accrued payroll	13,571	38,576	1,160	53,307	23,621
Accrued interest	-	72,000	-	72,000	-
Due to other funds (note E)	-	-	72,012	72,012	-
Due to other governmental units	128,647	-	-	128,647	-
Compensated absences payable (note A)	44,955	140,885	4,117	189,957	93,855
Total current liabilities	1,328,594	822,580	82,303	2,233,477	430,406
Noncurrent liabilities (note A and D)					
Contracts payable-Muskegon County	5,886,923	-	-	5,886,923	-
Bonds payable (net of unamortized discount of \$93,654)	-	9,251,346	-	9,251,346	-
Less current maturities	(1,107,267)	(420,000)	-	(1,527,267)	-
Total noncurrent liabilities	4,779,656	8,831,346	-	13,611,002	-
Total liabilities	6,108,250	9,653,926	82,303	15,844,479	430,406
Net assets (note A)					
Invested in capital assets, net of related debt	8,172,352	18,150,985	1,485,455	27,808,792	2,870,073
Restricted for					
Debt service	-	822,559	-	822,559	-
Unrestricted	5,450,741	3,898,247	(80,963)	9,268,025	1,785,944
Total net assets	13,623,093	22,871,791	1,404,492	37,899,376	4,656,017
TOTAL LIABILITIES AND NET ASSETS	\$ 19,731,343	\$ 32,525,717	\$ 1,486,795	\$ 53,743,855	\$ 5,086,423
Reconciliation to the statement of net assets					
Total net assets of enterprise funds				\$ 37,899,376	
Some amounts reported for business-type activities in the statement of net assets are different because certain internal service fund assets and liabilities are included with business- type activities				1,219,997	
Net assets of business-type activities				<u>\$ 39,119,373</u>	

The accompanying notes are an integral part of this statement.